

One Hundred Third Congress
of the
United States of America

AT THE FIRST SESSION

*Begun and held at the City of Washington on Tuesday,
the fifth day of January, one thousand nine hundred and ninety-three*

An Act

To facilitate recovery from the recent flooding of the Mississippi River and its tributaries by providing greater flexibility for depository institutions and their regulators, and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the “Depository Institutions Disaster Relief Act of 1993”.

SEC. 2. TRUTH IN LENDING ACT; EXPEDITED FUNDS AVAILABILITY ACT.

(a) **TRUTH IN LENDING ACT.**—During the 240-day period beginning on the date of enactment of this Act, the Board of Governors of the Federal Reserve System may make exceptions to the Truth in Lending Act for transactions within an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, has determined, on or after April 1, 1993, that a major disaster exists, or within an area determined to be eligible for disaster relief under other Federal law by reason of damage related to the 1993 flooding of the Mississippi River and its tributaries, if the Board determines that the exception can reasonably be expected to alleviate hardships to the public resulting from such disaster that outweigh possible adverse effects.

(b) **EXPEDITED FUNDS AVAILABILITY ACT.**—During the 240-day period beginning on the date of enactment of this Act, the Board of Governors of the Federal Reserve System may make exceptions to the Expedited Funds Availability Act for depository institution offices located within any area referred to in subsection (a) of this section if the Board determines that the exception can reasonably be expected to alleviate hardships to the public resulting from such disaster that outweigh possible adverse effects.

(c) **TIME LIMIT ON EXCEPTIONS.**—Any exception made under this section shall expire not later than October 1, 1994.

(d) **PUBLICATION REQUIRED.**—The Board of Governors of the Federal Reserve System shall publish in the Federal Register a statement that—

- (1) describes any exception made under this section; and
- (2) explains how the exception can reasonably be expected to produce benefits to the public that outweigh possible adverse effects.

SEC. 3. DEPOSIT OF INSURANCE PROCEEDS.

(a) **IN GENERAL.**—The appropriate Federal banking agency may, by order, permit an insured depository institution to subtract from the institution's total assets, in calculating compliance with the leverage limit prescribed under section 38 of the Federal Deposit Insurance Act, an amount not exceeding the qualifying amount attributable to insurance proceeds, if the agency determines that—

(1) the institution—

(A) had its principal place of business within an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, has determined, on or after April 1, 1993, that a major disaster exists, or within an area determined to be eligible for disaster relief under other Federal law by reason of damage related to the 1993 flooding of the Mississippi River and its tributaries, on the day before the date of any such determination;

(B) derives more than 60 percent of its total deposits from persons who normally reside within, or whose principal place of business is normally within, areas of intense devastation caused by the major disaster;

(C) was adequately capitalized (as defined in section 38 of the Federal Deposit Insurance Act) before the major disaster; and

(D) has an acceptable plan for managing the increase in its total assets and total deposits; and

(2) the subtraction is consistent with the purpose of section 38 of the Federal Deposit Insurance Act.

(b) **TIME LIMIT ON EXCEPTIONS.**—Any exception made under this section shall expire not later than April 1, 1995.

(c) **DEFINITIONS.**—For purposes of this section:

(1) **APPROPRIATE FEDERAL BANKING AGENCY.**—The term “appropriate Federal banking agency” has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(2) **INSURED DEPOSITORY INSTITUTION.**—The term “insured depository institution” has the same meaning as in section 3 of the Federal Deposit Insurance Act.

(3) **LEVERAGE LIMIT.**—The term “leverage limit” has the same meaning as in section 38 of the Federal Deposit Insurance Act.

(4) **QUALIFYING AMOUNT ATTRIBUTABLE TO INSURANCE PROCEEDS.**—The term “qualifying amount attributable to insurance proceeds” means the amount (if any) by which the institution's total assets exceed the institution's average total assets during the calendar quarter ending before the date of any determination referred to in subsection (a)(1)(A), because of the deposit of insurance payments or governmental assistance made with respect to damage caused by, or other costs resulting from, the major disaster.

SEC. 4. BANKING AGENCY PUBLICATION REQUIREMENTS.

(a) **IN GENERAL.**—A qualifying regulatory agency may take any of the following actions with respect to depository institutions or other regulated entities whose principal place of business is within, or with respect to transactions or activities within, an area in which the President, pursuant to section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, has

determined, on or after April 1, 1993, that a major disaster exists, or within an area determined to be eligible for disaster relief under other Federal law by reason of damage related to the 1993 flooding of the Mississippi River and its tributaries, if the agency determines that the action would facilitate recovery from the major disaster:

(1) **PROCEDURE.**—Exercising the agency's authority under provisions of law other than this section without complying with—

(A) any requirement of section 553 of title 5, United States Code; or

(B) any provision of law that requires notice or opportunity for hearing or sets maximum or minimum time limits with respect to agency action.

(2) **PUBLICATION REQUIREMENTS.**—Making exceptions, with respect to institutions or other entities for which the agency is the primary Federal regulator, to—

(A) any publication requirement with respect to establishing branches or other deposit-taking facilities; or

(B) any similar publication requirement.

(b) **PUBLICATION REQUIRED.**—A qualifying regulatory agency shall publish in the Federal Register a statement that—

(1) describes any action taken under this section; and

(2) explains the need for the action.

(c) **QUALIFYING REGULATORY AGENCY DEFINED.**—For purposes of this section, the term “qualifying regulatory agency” means—

(1) the Board of Governors of the Federal Reserve System;

(2) the Comptroller of the Currency;

(3) the Director of the Office of Thrift Supervision;

(4) the Federal Deposit Insurance Corporation;

(5) the Financial Institutions Examination Council;

(6) the National Credit Union Administration; and

(7) with respect to chapter 53 of title 31, United States Code, the Secretary of the Treasury.

(d) **EXPIRATION.**—Any exception made under this section shall expire not later than April 1, 1994.

SEC. 5. STUDY; REPORT TO THE CONGRESS.

(a) **STUDY.**—The Secretary of the Treasury, after consultation with the appropriate Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), shall conduct a study that—

(1) examines how the agencies and entities granted authority by the Depository Institutions Disaster Relief Act of 1992 and by this Act have exercised such authority;

(2) evaluates the utility of such Acts in facilitating recovery from disasters consistent with the safety and soundness of depository institutions; and

(3) contains recommendations with respect to whether the authority granted by this Act should be made permanent.

(b) **REPORT TO THE CONGRESS.**—Not later than 18 months after the date of the enactment of this Act, the Secretary of the Treasury shall submit to the Congress a report on the results of the study required by subsection (a).

SEC. 6. SENSE OF THE CONGRESS.

It is the sense of the Congress that the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit

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Insurance Corporation, and the National Credit Union Administration should encourage depository institutions to meet the financial services needs of their communities and customers located in areas affected by the 1993 flooding of the Mississippi River and its tributaries.

SEC. 7. OTHER AUTHORITY NOT AFFECTED.

Nothing in this Act limits the authority of any department or agency under any other provision of law.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*